

<i>Sl.No.</i>	<i>Name of the State</i>	<i>Name of the Study Centre</i>
		16. Shri Aurobindo Centre
		17. Deen Dayal Upadhyay College
XXIX. Lakshadweep		1. Kavaratti
XXX. Pondicherry		1. Pondicherry.

[Translation]

### **Construction of Hotels with Foreign Assistance**

3122. SHRI VILASRAO NAGNATHRAO GUNDEWAR: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the Union Government propose to seek foreign assistance for the construction of hotels, and

(b) if so, the details thereof?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI MADHAVRAO SCINDIA): (a) and (b). Yes, Sir. Government has announced a policy for allowing foreign investment as well as collaboration in the setting up and management of hotels by foreign hotel chains. A statement indicating the details of this policy is attached.

### **STATEMENT**

The new Industrial Policy tabled in Parliament on 24.7.91 and subsequent press notes issued by the Government there to list out the industries eligible for automatic approval of foreign technology agreements and for 51% equity approvals. This includes Hotels and Tourism related Industry.

The term 'Hotels' would include restaurants, beach resorts and other tourist complexes providing accommodation and/or catering and food facilities to tourists. The term 'Tourism-related Industry' would include among others the following:-

- i) Travel agencies, tour operating agencies and tourist transport operating agencies;
- ii) Units providing facilities for cultural, adventure and wildlife experience to tourists;
- iii) Surface, air and water transport facilities for tourists;
- iv) Leisure, entertainment, amusement, sports and health units for tourists;
- v) Convention/seminar units and organisation.

Hotel and Tourism related Industry as clarified above will also be eligible for approval for direct foreign investment upto 51% foreign equity in accordance with para 39 B of the Statement on Industrial Policy dated 24.7.1991. Procedures for Approvals as given in Press Note No. 11 (1991 series) dated 20.8.1991 and Press Note No. 17

(1991 series) dated 19.11.1991) I will be applicable for this purpose.

As regards foreign technology agreements in Hotel Industry only, automatic permission will be available in terms of para 39C (i) of the Statement on Industrial Policy subject to fulfilment of the following parameters:-

(a) *Technical and Consultancy Services:*

Lumpsum fee not exceeding US \$ 200,000.

(b) *Franchising & Marketing/Publicity support:*

Upto 3% of the gross room sales.

(c) *Management Fees:*

Upto 10% of the foreign exchange earnings provided the foreign party puts in 25% of the equity. This will

also cover payments for markets and publicity support.

**Doubling of Lines in Maharashtra and Madhya Pradesh**

3123. SHRI VILASRAO NAG-NATHRAO GUNDEWAR: Will the Minister of RAILWAYS be pleased to state:

(a) the number of railway lines being doubled in Maharashtra and Madhya Pradesh in 1991-92 and the progress made in each case; and

(b) the details regarding other rail facilities proposed to be provided in those States?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI MAL-LIKARJUN): (a) The ongoing doubling works in Madhya Pradesh and Maharashtra during 1991-92 and their progress as on 30.9.91 is as under:

	<i>Name of the work</i>	<i>State</i>	<i>per cent Progress</i>
1.	Polapathar-Barbatpur (18.38 Km.)	MP	Open to traffic on 28.10.1991
2.	Polapathar-Kala Akhar (6.64 Km.)	MP	87.7
3.	Kiratgarh-Kala Akhar (22.25 Km.)	MP	30.75
4.	Jukehi-Amdara (19.64 Km.)	MP	72.48
5.	Jhansi-Agra single line bridge portion upto Gher (Chambal Bridge)	MP	—
6.	Jaitwar-Manikpur (57.51 Km.)	MP	85.90
7.	Matatila-Basai (7.88 Km.)	MP	78.16
8.	Narmada Bridge	MP	40.00
9.	Kurwai-Keothara-Bina River (2.7 Km) and Betwa A Cabin & B Cabin (2.64 Km)	MP	65.14